GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2337
ANSWERED ON:17.08.2006
FORMATION OF EASTERN GAS GRID
Acharia Shri Basudeb;Khan Shri Sunil

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government of West Bengal has brought to the notice of the Union Government about the problem being faced by States in Eastern Zone in the industrial scenario due to non −availability of natural gas in Eastern Zone;

(b) if so, whether the Government has received any proposals from the Government of West Bengal for formation of Eastern Gas Grid;

(c) if so, the details thereof; and

(d) the action taken/ proposed to be taken by the Union Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a): Yes, Sir.

(b) to (d): The West Bengal Government has inter alia conveyed that in spite of substantial demand for natural gas in Eastern India, especially West Bengal, no natural gas transmission infrastructure has been developed in the region mainly due to non-proximity of supply sources. This is likely to lead to serious regional imbalance unless some steps are taken to ensure equitable distribution of natural gas in the country. The responsibility of expanding gas market to the areas which are starved of gas cannot be left to market forces and all inter-state gas pipelines should be built and managed by a public sector undertaking having experience, expertise and requisite infrastructure in the public interest.

The policy for development of natural gas pipelines, under finalization by the Government in consultation with various stakeholders, envisages top promote investment from public as well as private sector in natural gas pipelines to facilitate open access for all players to the pipeline network on a nondiscriminatory basis, promote competition among entities and secure the consumer interest in terms of gas availability and reasonable tariff for natural gas pipelines. The development of network would, inter alia, depend upon the availability of gas and necessary tie-ups for gas sourcing and marketing.

GAIL (India) Limited has plans to lay Jagdishpur − Haldia gas pipeline to cater to the gas demand in West Bengal subject to availability of gas.